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### **Medicare OpEd for the Union Leader**

One of the most positive developments in health care over the past ten years, and which will continue to grow as we look to the future, is the exceptional advancement in drugs that reduce the need the surgery and significantly improve the healthcare of people with serious diseases. This truly is a revolution in the way that we address sickness and improve the quality of life for all Americans. Unfortunately, many of these drugs are expensive and can force tough choices, especially on low-income seniors, between buying drugs and paying for food and housing. This is not right. We need a system that gives seniors, especially those on low and fixed incomes, the ability to live with dignity and to have access to the most appropriate drugs. We also need a system that allows Medicare to work well in the future as more and more Americans retire. We need a system that does not excessively tax young working Americans as they try to support the retiring Baby Boom generation.

Unfortunately, the Senate recently passed a bill that fails in two major areas. First, it created a drug benefit that, instead of being focused on low-income seniors and those seniors who confront extraordinary and catastrophic drug costs, overextends to cover all seniors. This means that well-to-do seniors, such as Warren Buffett, and seniors who already have significant and good drug benefit programs through their retirement plans or Medigap, would find themselves on a new federal program paid for by their children's tax dollars. This means that many large corporations would be transferring the costs of the drug program for their retirees to the public sector. Thus, a person working in a restaurant, trying to raise a family in Epping, New Hampshire, would end up paying for the drug benefits of wealthy seniors or seniors who initially had their benefits paid for by private companies. This makes no sense. A new drug benefit should be directed at those seniors who do not have such a benefit and cannot afford to buy insurance. There is no reason that our children and their children should have to pay what amounts to a \$6 trillion unfunded, unfocused mandate.

Second, the Senate bill, as passed, fails to adequately address the need to update Medicare. Medicare has done well for seniors, but it was designed in the 1960s and it needs to be improved. It is like a 1969 Oldsmobile trying to drive down the road in 2003;

it needs an overhaul. The most significant problem the current Medicare system faces is that the post-World War II Baby Boom generation is headed towards retirement. This is the largest generation in American history, and the sheer number of people who will be retiring will overwhelm the system if it is not updated. Key to updating the system is to give seniors who desire choices of different types of health insurance coverage the right to such choices. This means making Medicare more like the system that Members of Congress have, which allows beneficiaries to choose from a selection of different benefit mixes. The present Medicare system is built on the premise of using price controls, in which the federal government arbitrarily sets not only the price but the type of coverage a senior gets. A more logical system would allow seniors to choose the type of coverage they want, with a base plan, and allow the market to compete on the issue of premium prices and add-on coverages. Unfortunately, such an updating of the Medicare system was short changed by the Senate-passed bill.

We can produce a reform package that gives needy seniors good drug coverage, gives all seniors protection from catastrophic drug costs so they will not be financially wiped out, and dramatically improves the Medicare system overall through the creation of more choices and market competition, without passing huge tax increases onto our children. Regrettably, the Senate bill did not do this, but I intend to continue to work on this issue in hopes that the final joint House/Senate conference bill will be a much better package for seniors and all Americans.